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Research News for the U.S. Travel Industry

TRAVEL PRINTOUT

US Travel Data Center

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Events of 1991 Impact Domestic Travel

"The Gulf War and recession of 1991 sent the travel industry into depths not seen since the early 1980s," said Suzanne Cook, executive director of the Data Center, during the 1991 Review of Domestic Travel at the 6th annual Travel Review Conference.

The conference, which was sponsored by the U.S. Travel Data Center (USTDC), the United States Travel and Tourism Administration (USTTA), Travel and Tourism Research Association (TTRA) and the Washington Metropolitan Chapter of TTRA, was held on February 5 at the Holiday Inn Crowne Plaza in Arlington, Virginia.

Preliminary results show that the overall volume of U.S. resident travel remained stable in 1991, increasing less than 1 percent over 1990. There were a total of 1.29 billion person-trips in 1991.
(A person-trip is one person traveling 100 miles or more away from home.)

"Business travel suffered a decrease of more than 8 percent in 1991, as corporations consolidated their trips in order to cut expenses," explained Cook to the nearly 300 delegates. Vacation travel, however, showed a slight increase over 1990.

The travel industry seemed to have suffered more from the long-term impact of the recession than from the short-term hit of the Gulf War. In fact, safety seemed to be of little concern to American travelers after the conclusion of the war. In a Data Center study, travelers rated domestic travel a 4.2, on a scale of one being not at all safe and 5 being very safe.

There were very few sectors of the travel industry that were immune to the events of 1991. The airline industry lost three carriers that were synonymous with air travel; Eastern, Midway and Pan American World Airways. The airline industry finished 1991 with an estimated loss of $2 billion, and this year's industry-wide profit will be in the range of $750 billion, assuming there is an economic recovery.

The recession and war, combined with an oversupply of rooms, had the hotel industry scrambling to cut costs and improve efficiency while waiting for the market to rebound. In 1991, the lodging industry showed the lowest occupancy rates since 1983.

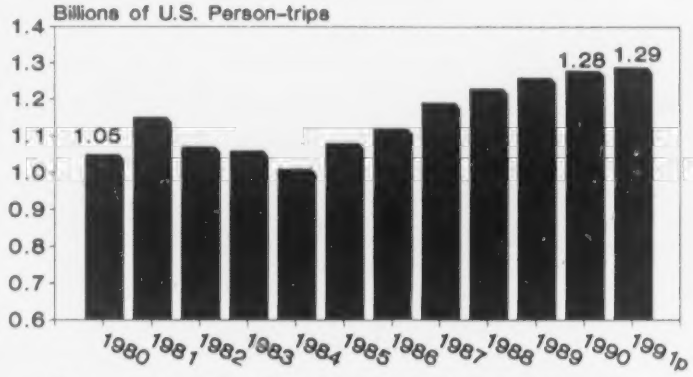
Americans visited national parks more than ever before in 1991. According to preliminary National Park Service figures, there were a total of 266 million recreation visits in 1991, an increase of nearly 3 percent over 1990.

The 1991 domestic review of travel includes year-end statistics for a number of travel industry sectors, as well as discussion of some promotional and marketing programs developed to combat the decline in travel.

Data Center members will be receiving a complimentary copy of the 1991 Domestic Review of Travel. In addition, members may purchase Suzanne Cook's slide presentation for $150, others may purchase the presentation for $275.

Proceedings from the conference will be available in late February. To order the proceedings, contact TTRA at (801) 581-3351. *(All conference attendees will be receiving a complimentary copy.)*

TRAVEL'S GROWTH STAGNANT IN 1991



Source: U.S. Travel Data Center's National Travel Survey

INSIDE:
- European Outbound Travel Declines 3 Percent
- Winter 1990-91 Travel Market Report Released

Cost of Travel in U.S. Increases in December

After decreasing slightly in November, the cost of travel in the United States increased 0.8 percent in December from the previous month, but increased 1.3 percent over the past 12 months, according to the Data Center's latest Travel Price Index (TPI).

The TPI, which measures seasonally unadjusted changes in the cost of travel in the U.S. increased to 144.0 (1982 - 84 = 100) during December.

For comparison, the overall cost of goods and services Americans purchase, as measured by the Consumer Price Index (CPI), increased 0.1 percent in December and rose to 137.9.

Travel Price Index and Components

December 1991 TPI Component	Monthly % Change November 1991 to December 1991	Annual % Change December 1990 to December 1991
Transportation	1.1	-10.6
Airline Fares	3.0	-6.1
Other Intercity Trans.	0.7	2.4
Intracity Public Trans.	-0.1	3.8
Motor Fuel	-1.0	-16.0
Lodging	1.0	8.5
Food and Beverages Away From Home	0.9	3.1
Entertainment	-1.4	4.8
TRAVEL PRICE INDEX	0.8	1.3
CONSUMER PRICE INDEX	0.1	3.1

Source: U.S. Travel Data Center and the U.S. Bureau of Labor Statistics

Lodging prices increased 1 percent in December, after decreasing for three consecutive months. Over the last 12 months, lodging prices increased more than 8 percent.

While the transportation component of the TPI increased more than 1 percent in December, over the last 12 months transportation prices actually dropped more than 10 percent.

Airline fares increased 3 percent in December and decreased more than 6 percent over the last 12 months. Motor fuel prices decreased in December, after increasing in November. In the last 12 months, motor fuel costs plummeted 16 percent.

For the second consecutive month, entertainment costs showed a decrease, dropping 1.4 percent in December. In the past 12 months, entertainment costs increased nearly 5 percent.

The cost of other intercity transportation and food and beverages away from home showed slight increases in November, after showing decreases in November. In addition, both showed slight increases in the last 12 months.

The TPI indicates price changes in travel goods and services available to consumers in the U.S. and does not necessarily represent changes in the average fares, rates and other costs that travelers actually paid.

Travel Review Conference Slides Available

How did the travel industry fare in 1991 despite the Gulf War and recession? How did vacation and business travelers adapt to the economy?

The answers to these, and other questions, are available from Suzanne Cook's speech on the 1991 review of domestic travel, which was presented to the 1991 Travel Review Conference in Washington on February 5. Data Center members can purchase Suzanne Cook's script and slide presentation for $150, others may purchase the presentation for $275.

The review of domestic travel speech discusses the volume of travel in 1990, trends, business and vacation travel, the impact of the Gulf War and recession, and 1991 reviews of other sectors of the travel industry.

The 6th annual Travel Review Conference was sponsored by the U.S. Travel Data Center, Travel and Tourism Research Association (TTRA), the Washington Metropolitan Chapter of TTRA and the United States Travel and Tourism Administration (USTTA).

The scripts and slides from Suzanne Cook's presentation on the 1991 review of domestic travel can be purchased by contacting the Data Center at (202) 293-1040.

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Gulf War, Recession Impact Winter Travel 1990-91

There were 240 million person-trips recorded during the months of December 1990 and January and February 1991, a decrease of more than 8 percent over the previous winter, according to the Data Center's *Winter 1990-91 Travel Market Report.*

"The events of the Persian Gulf War and the recession affected a variety of consumer behaviors, including the desire and ability travel," said Elizabeth Stewart, manager of market research at the Data Center.

Business and air travel appeared to have been the hardest hit sectors, each posting greater than average declines. Travel party sizes for business and air travel, however, increased as people looked for ways to consolidate their trips to offset the recession.

Of all person-trips taken last winter, nearly 75 percent were taken for pleasure purposes. Forty-seven percent of all person-trips were taken to visit friends and relatives, 15 percent for entertainment and 11 percent for outdoor recreation, according to the report.

Auto/truck/RV was again the most popular mode of transportation in winter 1990-91, accounting for 81 percent of all person-trips. Eighteen percent of all person-trips were through the air.

On average, travelers spent 4 nights away from home on winter 1990-91 person-trips. Pleasure person-trips lasted an average of 4.3 nights. While, business travelers spent an average of 3.1 nights away from home.

The Southeast region attracted the most travelers this past winter, as 75.8 million person-trips were recorded. The West region showed the largest decrease in visitors for the season, while the Northeast region was the only region to show an increase in visitors from a year ago.

The 1990-91 Winter Travel Market Report is one of four seasonal reports based on the Data Center's National Travel Survey (NTS). The report includes information on air and auto travelers, vacationers, business travelers and senior travel, among other segments.

The Winter report and the other seasonal reports can be purchased for $100 a piece. For additional information or to order the report, contact the Data Center at (202) 293-1040. *(Data Center members will be receiving a complimentary copy.)*

Visitor Volume at National Parks

Region	Nov. 1991 Visits	% Change Nov. 1990	Year to Date % Change 1991/90*
NEW ENGLAND	612,355	-0.2%	16.0%
MIDDLE ATLANTIC	1,592,262	3.0	6.4
SOUTH ATLANTIC	4,938,886	-6.8	-1.0
EAST SOUTH CENT.	1,232,939	-0.3	5.7
EAST NORTH CENT.	211,698	-16.2	8.7
WEST NORTH CENT.	282,897	-15.0	7.4
WEST SOUTH CENT.	472,538	-19.0	-2.5
MOUNTAIN	1,564,544	-10.5	3.4
PACIFIC	3,085,693	9.3	4.2
TOTAL	13,993,812	-3.0	3.4

* Percent change figures may not be consistent with those previously reported due to National Park Service revisions.

Census regions: **New England:** Conn., Maine, Mass., N.H., R.I., Vermont. **Middle Atlantic:** N.J., N.Y., Penn. **S. Atlantic:** Del., District of Columbia, Fla., Ga., Md., N.C., S.C., Va., W.Va. **East South Central:** Ala., Ky., Miss., Tenn. **East North Central:** Ill., Ind., Mich., Ohio, Wis. West North Central: Iowa, Kan., Minn., Mo., Neb., N.D., S.D. **West South Central:** Ark., La., Okla., Texas. **Mountain:** Ariz., Colo., Idaho, Mont., Nev., N.M., Utah, Wyo. **Pacific:** Alaska, Calif., Hawaii, Ore., Wash.

Bill Evans Named Manager of Economic Studies

The U.S. Travel Data Center has named William R. Evans at its Manager of Economic Studies. Evans worked previously at the U.S. Travel Data Center from 1980-84 in this position before joining Laventhol & Horwath.

Prior to his return, Evans worked as a survey consultant at the Hay Group in Philadelphia. Evans will oversee the Data Center's annual *Economic Review of Travel in America* and will head the Travel Economic Impact Model (TEIM).

The Data Center's TEIM, which was revised last year, is the only national model which produces estimates of the economic impact of travel at the national, state and local levels. The model provides states, cities and regions with reliable estimates of economic impact and enables federal, state and local government officials and legislators to make intelligent policy decisions concerning the travel and tourism industry.

USTDC's Guest Column Debuts Next Month

February's Travel Printout will introduce a Guest Column, scheduled to appear every other month in the *Data Center Insider.* The new column will feature the latest in travel trends, research and other information from travel executives in all sectors of the industry.

Data Center members and Travel Printout subscribers are encouraged to participate in the Guest Column. If you would like submit an idea for a guest column piece, contact Scott Dring at (202) 293-1040.

Current Travel Indicators - 1990/91

	Month	Value	Units	Percent Change Last Month	Year Ago	Year To Date
Establishment Receipts or Retail Sales						
Hotels, Motels, Other Lodging Places(1)	Dec	$3,800	million	-21.6	1.9	1.2
Eating and Drinking Places(2)	Dec	$16,231	million	1.5	7.0	4.1
Gasoline Service Stations(2)	Dec	$10,303	million	-2.4	-13.3	-2.4
Commercial Lodging Demand						
Hotel/Motel Occupancy Rates(3)	Dec	60.9	percent	-1.9	2.7	-1.5
Real Demand for Commercial Lodging(4)	Dec	48.8	million	-17.8	2.1	0.8
Airline Passenger Traffic (5)						
Domestic Revenue Passenger-Miles	Dec	27.8	billion	11.9	3.5	-2.6
Int'l Revenue Passenger-Miles	Dec	9.3	billion	3.9	3.8	-1.5
Highway Traffic Volume (6)						
Rural Arterial Passenger-Miles	Nov	42.4	billion	-8.7	-0.2	0.8
Rail Passenger Traffic (7)						
Amtrak Passenger-Miles	Dec	526.5	million	7.0	3.4	2.0
Travel Price Index (1982 - 84 = 100) (8)	Dec	144.0		0.8	1.3	6.5
Visitor Volume at National Park Service Areas (11)						
Recreation Visits	Dec	N/A				
Overnight Stays	Dec	N/A				
Foreign Arrivals to the U.S.						
From Overseas(12)	Sept	1,572,013		-14.0	15.3	7.2
From Canada(13)	Nov	1,296,341		-9.7	6.6	9.5
From Mexico(12)	Sept	110,214		-37.0	9.3	8.7
U.S. Citizen Departures						
To Overseas(12)	Jan	N/A				
To Canada(13)	Nov	530,612		-35.5	-9.0	-1.9
Domestic Demand for Gasoline						
Barrels/Day(14)	Dec	N/A				

(1) Source: Smith Travel Research; seasonally adjusted. (2) Preliminary; revised monthly. Source: Bureau of the Census. (3) Source: Smith Travel Research; seasonally adjusted. 1986 and 1987 data have been revised. (4) Smith Travel Research; unadjusted room nights sold. (5) Preliminary; U.S. scheduled service air carriers. Source: Air Transport Association. (6) Preliminary revised monthly. Source: Federal Highway Administration. (7) Source: National Railroad Passenger Corporation (Amtrak). (8) Source: U.S. Travel Data Center and Bureau of Labor Statistics. (9) Source: U.S. Travel Data Center. (10) U.S. Travel Data Center. Data is not comparable to earlier published numbers due to revised methodology. (11) Preliminary; unadjusted for differences in reporting units. Source: National Park Service. (12) Source: U.S. Travel and Tourism Administration; seasonal data reflect 1/94 arrivals only. (13) Statistics Canada. (14) Preliminary. Source: U.S. Department of Energy.

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